PUBLIC WORKS SUPPLY AND SERVICES 1989-90 ANNUAL REPORT

Alberta

PUBLIC WORKS,
SUPPLY AND SERVICES

91-06403/

Minister responsible for
LOTTERIES, MAJOR EXHIBITIONS AND FAIRS
GAMING COMMISSION
RACING COMMISSION

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June 1991

Honourable Dr. David J. Carter
Office of the Speaker
Legislative Assembly of Alberta
Room 325, Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Sir:

It is my honour to present to you the Annual Report of Alberta Public Works, Supply and Services for the fiscal year ended March 31, 1990.

Respectfully submitted,

Ken Kowalski

Ken Kowalski
Minister

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MESSAGE FROM THE DEPUTY MINISTER

The Department of Alberta Public Works, Supply and Services provides common services, detailed in the following pages, to other government departments and some boards, agencies and Crown corporations, to assist in implementing the policies and programs of the Alberta government. The year was characterized by a number of changes and one significant change in minister, with Ken Kowalski succeeding Ernie Isley on April 17, 1989.

The need to meet our mandate during a time of fiscal restraint brought us myriad challenges and successes in 1989-90. One of our many successes is the continued construction of the Oldman River Dam, which is one of the largest and most significant projects that this department has ever undertaken. It is proceeding on time and within budget, and we anticipate completing the project on schedule.

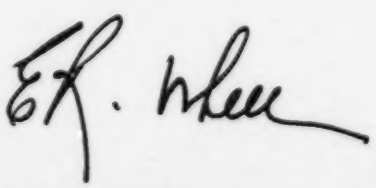
Privatization is one way we are keeping government costs down. In 1989-90, we concluded a five-year program and reached our target of 600,000 square metres of space being turned over to the private sector for total property management. In fact, all maintenance in the Public Works, Supply and Services Building in Edmonton is undertaken by the private sector. Although the five-year program has ended, we will continue to identify additional space to turn over to the private sector.

With vision and planning, Alberta Public Works, Supply and Services meets the challenge of providing efficient, cost-effective services to meet clients' needs and maintain our commitment to quality. Our ongoing facility-evaluation program is a preventive maintenance program that allows us to identify potential operation and maintenance problems to provide a safe working environment for government employees. Over time, all the government-owned facilities will be reviewed — some 2 million square metres of space.

In March, our minister initiated a commitment to environmental responsibility when he announced that Alberta Public Works, Supply and Services will use "green" products and practices in its daily operations. This initiative was the catalyst to reviewing the possibility of the use of green products in government.

During the year, significant progress was made in reducing interprovincial trade barriers and increasing opportunities for Alberta businesses. This was the first full year of operation of the Western Trade Barrier Reduction Agreement, and as a result the Western Purchasing Information Network (WPIN) was developed. This electronic system carries live tender news directly to suppliers about the purchasing requirements of the western provinces. Discussions between the western provinces and the federal government on increasing federal government purchasing in Western Canada continued through the year, and on April 5, 1990, the Western Procurement Initiative was signed.

The following pages provide an in-depth look at Alberta Public Works, Supply and Services and its activities during 1989-90. Alberta Public Works, Supply and Services looks forward to a new year, and a new decade, dedicated to innovation, initiative and flexibility in meeting the needs of government to serve the people of Alberta.



E. R. McLellan, P.Eng.

ORGANIZATIONAL CHART

CAPITAL DEVELOPMENT

Report from the Assistant Deputy Minister

...oversees the planning, design and construction of facilities for government departments, agencies and health facilities and provides project management expertise for the Alberta Liquor Control Board (ALCB), Treasury Branches and regional library board facilities.

In a year of achievements and ongoing accomplishments, one of the most significant in 1989-90 was the continued development of Project Management-Health to administer the hospital projects we had assumed the year earlier. In its first year, the new division administered 82 capital projects with a cash flow of $124.7 million and 116 capital upgrading projects totalling $16.8 million for major maintenance and improvements to existing facilities.

A notable highlight every year is the completion of capital projects, which can take years from conception to occupancy. In 1989-90, Capital Development completed construction of a number of multi-year projects. One example is the 18 units of student family housing and daycare facility at the Alberta Vocational College in Grouard. The facilities, which cost $3.2 million, were occupied in December 1989.

Another example is the completion, in the spring of 1989, of a major expansion and renovations to the Fire Training School in Vermilion, including a new four-vehicle bay. The $5.6-million facility was officially opened on November 20, 1989.

A $5.19-million addition to the Raymond Care Centre in Raymond was completed in January 1990. This mental health-care facility includes training residences, administration and a life-enrichment centre with a therapeutic pool. The life-enrichment centre is open to the residents and the citizens of the Town of Raymond. The project is tangible evidence of a new approach to the treatment of mentally ill Albertans, an approach that emphasizes shorter stays and a return to the community with the support of the community and institutional day programs.

We also completed the $5-million Cold Lake Marina, and plans are scheduled for the official opening in August 1990. This project, undertaken jointly by the federal and provincial governments and the Town of Cold Lake, provides boat-launching facilities, 300 floating berths, parking for 100 cars and a Marina Services Centre. The provincial government's share of the cost was $3.2 million.

The new Research Support Centre for the Alberta Research Council at Clover Bar and the overhead link to the Pilot Plant was another project completed in 1989-90. This new research and support facility replaces the old temporary trailers, at a project cost of $7,970,000.

Each year, Capital Development also begins or continues new capital projects. During the 1989-90 fiscal year, we awarded a total of 301 construction contracts to private contractors and expended a total of $105,925,978 on Vote 4 capital projects, which are specifically for government departments. We commissioned 218 consulting firms (69 design consultants and 149 others), which we use in all phases of the Alberta government's capital projects.

To accomplish all these projects, Capital Development operates through the coordinated efforts of four divisions: Construction, Project Management, Site Development and Cost Control and Analysis.

Construction Division administers all capital construction contracts and provides construction-management services on large, multi-year projects. In 1989-90, Construction Division awarded 211 new construction contracts with a total tender value of $74,684,295, administered 141 outstanding claims, totalling $2,718,161, which were filed under Section 14 of the Public Works Act, and awarded 59 consultant testing commissions for a total of $252,189.

Our Project Management Division, which provides professional and technical services in the planning and managing of capital projects for other government departments and, on request, boards and agencies, comprises four branches — Project Management Calgary, Specifications and Standards, Commissioning and Furniture and Interior Design. The division processed 315 capital projects, expending $5,387,907 on consultant fees for capital projects, $1,766,126 additional consultant fees on capital projects funded by agencies and a total of $105,925,978 on capital projects on behalf of client departments. As well, three regional library headquarters projects, nine ALCB outlets and 17 Treasury Branches and a new recreation complex for Fairview College all benefited from Project Management's expertise.

Southern Alberta projects are planned and managed by Project Management Branch in Calgary, which in 1989-90 responded to 178 departmental requests — yet another increase over the previous year. As well, Calgary branch administered 73 capital projects totalling $15.79 million, two regional library headquarters projects, eight Treasury Branches and five ALCB outlets. The branch tendered 208 projects on which 593 contractors submitted bids and commissioned 17 consulting firms. It expended $1,281,238 on consultant fees, plus an additional $465,690 in fees on agency-funded capital projects.

Land and utility services development is the responsibility of Site Development Division, which participated in the award of 90 new projects with a total tender value of $4,542,160 and participated in the construction management of 103 projects completed during the fiscal year for a total construction cost of $7,549,601.

Site Development includes landscape development of building facilities, road and parking design and construction, site clearing and demolition. In 1989-90, it upgraded or demolished facilities and buildings in the Restricted Development Areas in Edmonton and Calgary and coordinated environmental assessments of sites to evaluate the extent of contamination and implement site cleanup and land reclamation as required. Site Development awarded 92 consultant commissions for a total of $955,414.

Cost Control and Analysis Division developed budgets for the Alberta Public Works, Supply and Services' annual and multi-year capital construction program. As well, the division maintained and updated data banks of construction statistics and technical data costs, forming a nucleus for all departmental construction cost needs.

Other Major Highlights:

- Started construction on the 50-bed Northern Addiction Centre in Grande Prairie, which will be completed in January 1991. Total project cost is $9.44 million. The centre is unique in providing combined residential, education and emergency addiction treatment to residents of the Western provinces and the Northwest Territories.
- Finished major renovations to the former Land Titles Building at Churchill Square, Edmonton, in spring 1989. Total project cost is $3.5 million. The building accommodates an AADAC treatment centre and The Society for the Retired and Semi-Retired which provides a variety of support services for the elderly, including a 200-seat auditorium, a library and a lounge/cafeteria.
- Started construction on the Cardston Remington-Alberta Carriage Centre, to be finished construction in spring 1991, with the public opening planned for spring 1992. Estimated project cost is $9.5 million. This facility is intended to demonstrate, display and restore horse-drawn vehicles selected from collections, including the Remington Carriage and Glenbow-Alberta Institute collections.
- Awarded the contract for and started construction on the new multi-occupancy provincial building in Taber. The project, which costs $3.85 million, will be completed in February 1991.
- Compiled an inventory of underground storage tanks and, in accordance with environmental guidelines, upgraded fuel dispensing systems and storage tanks and removed abandoned tanks and contaminated soils, to support the government's Management of Underground Storage Tanks (MUST) project.

Project Management Division:

Expended on capital projects on behalf of client departments

Advanced Education	$8,084,531
Agriculture	2,037,555
Attorney General	1,481,754
Career Development and Employment	84,562
Culture and Multiculturalism	560,001
Education	739,091
Family and Social Services	5,929,087
Forestry, Lands and Wildlife	1,565,680
Environment	124,586
Health and AADAC	10,104,479
Labour	524,571
Public Works, Supply and Services	26,548,885
Multi-Departmental Services	36,583,898
Recreation and Parks (Kananaskis Country Management)	1,344,698
Solicitor General	3,332,121
Technology, Research and Telecommunications	4,590,534
Tourism	1,362,795
Transportation and Utilities	925,432
XV Olympic Winter Games — 1988	1,718
Total	**$105,925,978**

DEPARTMENT PROJECTS

Advanced Education

Alberta Vocational Centre, Lac La Biche
Commenced the design of a five-lane, 25-metre aquatic training centre funded by the community and The Endowment Fund.
Project Cost: $2,200,000

Alberta Vocational Centre, Slave Lake
Continued construction on a new campus and pool facility.
Project Cost: $15,400,000

Agriculture

Alberta Special Crops and Horticultural Research Centre, Brooks
Laboratory space expansion was completed and officially opened on April 27, 1990.
Project Cost: $5,475,000

Attorney General

Sherwood Park Courthouse
Completed preliminary design for a new three-courtroom facility.
Project Cost: $6,045,000

Queen's Bench Building, Edmonton (Law Courts)
Completed renovations for the provision of seven new courtrooms and relocated the Appeal Court.
Project Cost: $11,500,000

Career Development and Employment

Vocational Training Centre, Desmarais
Commenced planning for a new joint use training centre for Career Development and Advanced Education.
Project Cost: $3,020,000

Culture and Multiculturalism

Provincial Museum, Alberta
The Master Architectural Plan for the long range development of the Provincial Museum received approval. Planning and contract documents were completed for the upgrading of the security and fire alarm systems.
Project Cost: $560,000

Reynolds Alberta Museum, Wetaskiwin
Construction was completed on the Aircraft Hangar Building and the Site Development Work. The construction was awarded on the main building. This facility is for the display and preservation of a major collection of motor vehicles and farm machinery.
Project Cost: $18,350,000 (Exclusive of Displays)

Education

Correspondence School, Barrhead
Completed interior renovations in support of a new Distant Education Program.
Project Cost: $230,000

Early Childhood Services Program, Various Locations
Installed new portable classroom facilities for the Early Childhood Services Program at Bluffton, Hughenden and Rocky Mountain House and relocated existing portables to Calgary (two locations) and Whitecourt.
Project Cost: $500,000

Environment

Alberta Environmental Centre, Vegreville
Completed Building Management Control System.
Project Cost: $200,000
Completed working drawings for retrofit of Air Handling Systems.
Project Cost: $480,000
Tendered Minor Laboratory Renovations.
Project Cost: $90,000

Family and Social Services

Yellowhead Youth Centre, Edmonton

A Master Architectural Plan was completed and approved for the planned implementation of long-range objectives for the operation of this centre.

Michener Centre, Red Deer

Construction of several upgrading and renovations projects were completed:

a) Kitchen renovations
Project Cost: $4,000,000

b) Renovations to Cedar Building
Project Cost: $1,450,000

In addition, work continued on the functional upgrading, including ventilation and code upgrading on a number of buildings.
Project Cost: $9,500,000

Forestry, Lands and Wildlife

Smoky Lake, Pine Ridge Forest Nursery — Retrofit and Expansion
(Heritage Trust Fund)

Initiated planning for greenhouse and shadeframe retrofit and expansion, upgrading of administration and seed-processing facilities, site development and equipment handling in order to increase the annual production of seedlings by 9 million.
Project Cost: $8,100,000

Sam Livingston Fish Hatchery, Calgary
Raven River Brood Trout Station, Caroline

Initiated a project to provide clean-up of facilities due to IPN virus contamination and retrofit for future disease control.
Project Cost: $1,000,000

Northern Fish Hatchery, Cold Lake

Completed the weather enclosure for the rearing building.
Project Cost: $880,000

Public Works, Supply and Services

Alberta/China Petroleum Technology Exchange and Training Centre, Beijing (China)

Completed design and contract documents for Phase I.
Project Cost: $4,460,000

St. Martin Health Centre, Desmarais

Construction started for the renovations to the existing building to provide for a provincial court, Athabasca Health Unit and other government departments.
Project Cost: $1,245,000

Provincial Building, High Prairie

Awarded the contract for the replacement of the building lost to fire in 1985.
Project Cost: $7,500,000

Medicine Hat Provincial Building, Medicine Hat

Construction continued on this multi-occupancy building and is due to be completed by November 1990.
Project Cost: $16,450,000

Recreation and Parks

Fish Creek Provincial Park, Calgary

Completed upgrade of Sikome Lake to improve water condition.
Project Cost: $2,300,000

Blue Lake Centre, Hinton

Completed upgrading of the instructors' accommodations and fire protection system.
Project Cost: $870,000

Solicitor General

New Remand Centre, Calgary

Preparation of construction documents continued on the new 336-bed Remand Centre at Spy Hill. This facility will provide custody for male and female offenders awaiting trial.
Project Cost: $38,700,000

Government Facilities, Various

Began upgrading and expansion of security systems at various buildings in Edmonton and Calgary.
Project Cost: $1,600,000

Technology, Research and Telecommunications

Coal Research Centre, Devon

Completed structural steel support and tendered Outfitting Agglomeration Pilot Plant.
Project Cost: $560,000
Completed supply of fume hoods and tendered modular booths.
Project Cost: $225,000

Alberta Research Council, Millwoods

Completed upgrading of mechanical systems and fire alarm.
Project Cost: $650,000
New building for Forest Products Program was tendered and construction initiated.
Project Cost: $250,000

Tourism

Travel Information Centre, Milk River

Completed construction of facility.
Project Cost: $2,500,000

Transportation

Transportation Depot, Grimshaw

Completed contract documents and awarded the construction contract for a replacement 12-stall repair shop.
Project Cost: $3,265,000

AGENCIES AND BOARDS

Alberta Liquor Control Board (ALCB)

Completed construction of new stores at Chinook (Calgary), Fort Vermilion, Airdrie.
Initiated new construction at Centre Street North (Calgary), Mount Royal (Calgary).
Completed renovations at Garneau (Edmonton), Edmonton Centre (Edmonton), West Edmonton Mall (Edmonton), Bottle Crushing Depot (Calgary).
Upgraded ALCB Head Office transformers, switchgears and energy management control systems.

Regional Library System Buildings

Awarded construction contracts for the construction of the following Regional Libraries:
a) Yellowhead Regional Library, Spruce Grove
Project Cost: $1,800,000
b) Marigold Regional Library, Strathmore
Project Cost: $1,000,000
c) Shortgrass Regional Library, Medicine Hat
Project Cost: $1,600,000
d) Peace Regional Library, Grande Prairie
Project Cost: $1,800,000
Parkland Regional Library, Lacombe
Completed Construction
Project Cost: $1,470,000

Treasury Branches

Completed new, tenant improvement or renovated existing branches in Daysland, Killam, Norwood, Wetaskiwin, Spruce Grove, Stettler, Viking, Calder (Edmonton), Palisade Square (Edmonton), Edmonton Head Office, Drumheller, Falher and Olds in the south.

Tendered and commenced construction for branches in Provost, Slave Lake, Edmonton and Calgary.

Tendered and commenced construction of branch at West Edmonton Mall.
Estimated Project Cost: $2,000,000

Initiated Design and Contract Documents for Beaverlodge, Grande Prairie Main and various Edmonton and Calgary branches.

Other noteworthy branches are the completion of Edmonton Main Eaton Centre
Project Cost: $4,000,000
First Red Deer Place
Project Cost: $1,000,000
Lethbridge
Project Cost: $1,500,000

Initiated Design and Contract Documents for Edmonton South, Strathcona, which is a new free-standing branch.
Project Cost: $5,600,000

HEALTH PROJECTS

Calgary - Alberta Children's Hospital
Completed construction of renovations and expansion to consolidate pediatric services
Total Provincial Support - $15.75 million

Calgary - Glenmore Park Auxiliary Hospital
Began construction for renovations and expansion
Total Provincial Support - $3.2 million

Calgary - Holy Cross Hospital
Planned redevelopment of existing hospital and completed renovations of family medicine
Total Provincial Support - $32.135 million

Camrose - Rosehaven Care Centre
Construction under way for a new 100-bed psychogeriatric unit
Total Provincial Support - $18.2 million

Camrose - St. Mary's Hospital
Completed new 117-bed acute-care hospital
Total Provincial Support - $21.166 million

Camrose - Bethany Auxiliary Hospital
Continued design new 105-bed facility
Total Provincial Support - $9.152 million

Daysland - General Hospital
Completed design for 31-bed acute-care hospital
Total Provincial Support - $9.385 million

Edmonton - Cross Cancer Institute
Continued construction for renovations and expansion
Total Provincial Support - $99.4 million

Edmonton - Glenrose Rehabilitation Hospital
Continued construction on replacement of 208-bed hospital
Total Provincial Support - $68.42 million

Edmonton - Misericordia Hospital
Continued construction on new diagnostic and treatment wing
Total Provincial Support - $27.2 million

Edmonton - Northern Alberta Children's Hospital
Continued planning new facility
Total Provincial Support - unknown

Edmonton - Royal Alexandra Hospital
Continued design of new diagnostic, critical care and treatment centre
Total Provincial Support - $105.4 million

Edmonton - St. Joseph's Hospital
Commenced design of a new 200-bed long-term care hospital
Total Provincial Support - $29 million

Fort Saskatchewan - General Hospital
Commenced construction of renovations and expansion
Total Provincial Support - $3 million

Innisfail - Nursing Home
Commenced construction of new 40-bed nursing home
Total Provincial Support - $4.2 million

Lethbridge - St. Michael's General Hospital
Planned renovations to acute-care and new auxiliary hospital
Total Provincial Support - $47.3 million

Mayerthorpe General Hospital
Completed 30-bed addition
Total Provincial Support - $3.431 million

Ponoka - Alberta Hospital
Continued construction for new 80-bed brain-injury unit
Total Provincial Support - $13.61 million

Ponoka - Alberta Hospital
Continued planning of hospital-facilities development
Total Provincial Support - $63.573 million

Rainbow Lake - Ambulatory Care Centre
Completed new facilities including staff residence
Total Provincial Support - $1.3 million

Raymond - Municipal Hospital
Completed construction of a 23-bed addition for long-term care
Total Provincial Support - $2.8 million

Rimbey - Nursing Home
Continued construction of 40-bed nursing-home addition
Total Provincial Support - $5.2 million

Rocky Mountain House - Nursing Home
Completed design for new 50-bed nursing home
Total Provincial Support - $5.429 million

Slave Lake - General Hospital
Completed tender documents for new 80-bed replacement facility
Total Provincial Support - $21.228 million

St. Albert - Sturgeon General Hospital
Commenced construction of a new 200-bed replacement hospital
Total Provincial Support - $45.52 million

Valleyview - Health Care Centre
Completed design development for 60-bed replacement facility
Total Provincial Support - $11.604 million

Vermilion - Health Care Complex
Completed design of 25-bed addition for long-term care
Total Provincial Support - $3.576 million

Wabasca - Desmarais General Hospital
Completed new hospital and staff residence
Total Provincial Support - $6.72 million

PROPERTY MANAGEMENT AND RESERVOIR DEVELOPMENT

Report from the Assistant Deputy Minister

...manages, operates and maintains government-owned facilities and manages property leases; designs and builds reservoir projects; develops professional and technical standards in a wide range of engineering and related disciplines.

This year was a year of change and restructuring. The major change of 1989-90 was the combining of Property Management with Reservoir Development and Technical Resources to consolidate senior management and streamline operations. The result was the establishment of Property Management and Reservoir Development.

The four divisions in the new structure — Property Management–Operations, Property Management–Contracts, Technical Resources and Reservoir Development — experienced internal changes as well this year.

Technical staff transferred from Alberta Health were integrated into the Technical Resources Division to focus on Alberta Public Works, Supply and Services' new responsibility for hospitals.

Change also affected Property Management–Operations Division, which is responsible for the management, operation and maintenance of government-owned facilities of approximately 1.6 million square metres of space. Its three regions — North, South and Central — became two, North and South, in order to streamline operations and enhance consistency by reducing senior management.

A change in reporting procedure was also incurred this year by Property Management–Contract Division, which manages government-owned property through property management contracts; leased property through lease agreements and tenant services contracts; and receivable leases through respective lease agreements. Although statistically the workload was virtually unchanged, the expenditure figure this year is shown as $18,628,154, some $20 million less than the year before. The change in reporting was made to show the annual expenditure rather than the total contract value as was the case previously, to provide an easier comparison with the activities of Property Management–Operations Division. In 1989-90, the division managed 58 property management contracts — the same number as in 1988-89 — involving 594,003 square metres of space.

Technical Resources Division provides professional and technical standards and guidance in all aspects of the department's construction and maintenance programs. In 1989-90, the division contracted with 100 consulting companies in Alberta to provide investigations and evaluations into approximately 900 technical projects. From this investigative work, 85 maintenance projects were completed in the year, at a cost of between $25,000 and $250,000 each.

Reservoir Development Division, which had been transferred to Alberta Public Works, Supply and Services from Alberta Environment the year before, oversees the design and construction of the Oldman River Dam, the department's largest project, and the Little Bow River and Pine Coulee Reservoir projects.

As of March 31, 1990, the Oldman River Dam was 72 per cent complete. During the year, Reservoir Development Division continued construction on the dam, spillway, drainage tunnels, valves, gates, roads, bridges, reservoir clearing and environmental mitigation. The project is within budget at $353.3 million in 1986 dollars and on schedule to accommodate initial water storage during the spring of 1991.

Reservoir Development began initial inventories and assessments of the Little Bow River and the Pine Coulee Reservoir projects as the first step in conducting environmental impact assessments. Preliminary engineering studies were initiated on both new projects to provide basic hydrologic data and site condition information. This information is also required for the environmental impact assessments scheduled for completion in the fall of 1991. Discussions continued with the Public Advisory Committees and other area residents about reservoir operational plans, land acquisition, road relocations and many other aspects of the two projects.

Other Major Highlights:

- Managed 758 payable leases with an expenditure of $5,181,926 on operating-cost escalations in leases, 615 receivable leases and 57 leases on behalf of Treasury Branches. Managed 366 tenant services contracts in leased space with an expenditure of $2,577,581. Completed five-year plan to privatize total property-management services in selected buildings.
- Awarded 24 more consultant contracts — 86 in total — for investigations, evaluations and maintenance project delivery. The contracts totalled $1.066 million, up slightly from last year.
- Completed 241 facility evaluations in a planned maintenance program.
- Completed 49 major maintenance projects, for a total value of $2.681 million.
- Provided centralized inspection and technical services in the areas of building management control systems, instrumentation, electronics, elevators, landscaping and caretaking through Operational Support Branch, which also provided administrative cost accounting and security consulting services.

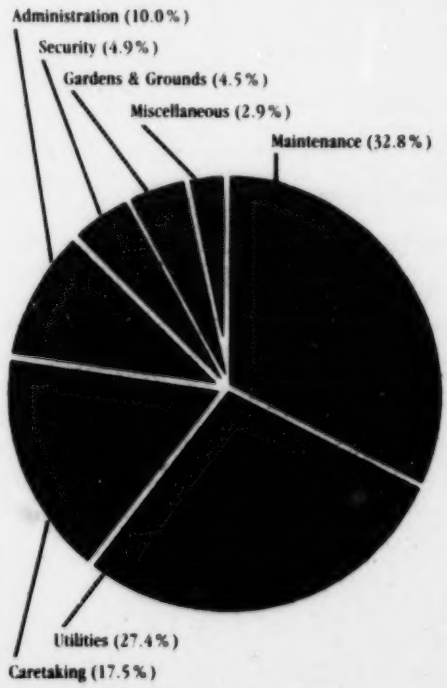
Property Management — Operations Division

Owned facility functional costs

	Amount (in thousands)	Cost per sq. metre
Maintenance	26,088	15.59
Utilities	21,731	12.99
Caretaking	13,929	8.33
Administration	7,952	4.75
Security	3,883	2.32
Gardens & Grounds	3,556	2.13
Miscellaneous	2,264	1.35
Total	**$ 79,403**	**$ 47.46**

Owned Facility Functional Costs

By per cent



SUPPLY MANAGEMENT

Report from the Assistant Deputy Minister

...delivers a variety of services to provincial government departments, including procuring goods and services, warehousing, providing standards information, disposal of surplus goods, printing services, records management services, air and ground transportation and interdepartmental courier services.

Two exciting and far-reaching interprovincial agreements on government purchasing dominated our initiatives in the 1989-90 fiscal year and will have long-term, widespread effects on Supply Management.

In March 1989, the four Western provinces signed the Memorandum of Agreement on the Reduction of Interprovincial Trade Barriers in Western Canada: Government Procurement. A major result is that suppliers from any of the four Western provinces can bid on provincial tenders without restrictions.

The Western Purchasing Information Network (WPIN) was the first concrete result of the agreement. WPIN links the four provincial procurement computer systems, providing live tender news and historical purchasing information on goods, with service and construction contracts to be added in the future. The system was developed by Supply Management using a private consultant.

The success of this agreement and the WPIN system has demonstrated to the rest of Canada that geographic neutrality and electronic exchange of procurement information is a beneficial and workable concept. It serves as a model of achievement for negotiations for the National Trade Barrier Reduction talks which continued throughout the year.

The second significant agreement — the Memorandum of Understanding on the Implementation of the Western Procurement Initiative — was signed by the four western provinces and the federal government on April 5, 1990. Supply Management was a party to the negotiations and, along with the department of Economic Development and Trade, represented Alberta. Under the agreement, the Western Economic Diversification Office funds joint initiatives designed to increase the amount of federal spending in the West.

Late in the year, a new Assistant Deputy Minister was appointed to oversee Supply Management's two divisions — Procurement and Supply Operations — and two branches — Operational Support Services and Air Transportation Services.

We had other notable accomplishments during the year. Procurement Division's Purchasing Branch, which played a key role in the development of the WPIN system, increased the overall value of its purchases by nearly 10 per cent to $239 million. Private manufacturers and distributors across the province supplied 88 per cent of the value of total goods purchased. The Purchasing Office in Calgary doubled its value of purchases to $13.5 million, as more commodities destined for southern Alberta government departments were purchased from southern Alberta vendors.

Contracted Services Branch, the arm of Procurement Division which specializes in computer-related purchasing, implemented standing offers for computer hardware and software, a change giving departments direct access to vendors.

A number of significant achievements and changes occurred in other branches in 1989-90. Air Transportation Services contracted a private-sector company to provide safety audit services on aircraft chartered by the Alberta Forest Service. Because of a light forest-fire year in Alberta, the CL215 water bombers were free to provide assistance in fighting severe forest fires in Manitoba, Saskatchewan, Ontario, the Northwest Territories and the Yukon under a mutual-aid agreement. The branch also received Transport Canada shop certification, which allows flexibility in scheduling and carrying out aircraft maintenance.

Surplus Sales, which disposes of all surplus government assets and materials, sold $3.9 million of assets deemed surplus to government needs. This drop of $2 million from the previous year reflects the government's direction to economize by redeploying assets and deferring replacements.

Printing Services provided government departments with copying, duplicating and printing services more efficiently in 1989-90 because of new equipment. New computerized phototypesetting equipment was added to the Central Duplicating Plant to improve productivity, reduce unit costs and improve the turnaround on orders. The Central Duplicating Plant produced over 36 million impressions (about 5 per cent of the government's requirement). The two Quick Print Centres in Edmonton produced a record of over 56 million copies for users who required high-speed photoduplicating. A total of approximately 92 million copies were produced by Printing Services using high speed photoduplicators and presses.

Other Major Highlights:

- Increased the value of Contracted Services Branch purchases by 37 per cent to $92.3 million, mainly in microcomputer purchases and consulting services.
- Accepted 38,500 cubic feet of inactive government records into storage and disposed of 31,200 cubic feet of records which were out of date and no longer required, a net increase of 7,300 cubic feet. Sent for destruction a further 65,400 cubic feet of records directly from department's premises, for a total of 96,600 cubic feet, up from 92,900 the previous year.

Purchasing Branch

PRODUCT GROUPS	1988-89	1989-90
	(in millions of dollars)	
Road and highway building materials	$142.0	$110.5
Transportation equipment	15.3	37.2
Food and medical	10.9	15.4
Petroleum products	4.4	3.6
All other product groups	45.8	72.9
Total	**$218.4**	**$239.6**

VENDORS 1989-90	
Alberta manufacturers	45.2 per cent
Alberta distributors	42.8 per cent
Non-Alberta sources	12.0 per cent
	100.0 per cent

Contracted Services Branch

PRODUCT GROUPS	1988-89	1989-90
	(in millions of dollars)	
Data-processing equipment	$27.5	$27.8
Consulting Services	18.1	28.8*
Microcomputers	15.8	24.8
Software	3.1	5.3
All other product groups	2.7	5.6
Total	**$67.2**	**$92.3**

* ($9.6 million for systems development and ongoing processing development)

INFORMATION SERVICES

Report from the Assistant Deputy Minister

A number of major initiatives were undertaken during 1989-90 to build upon the strengths of our information technology resources. Information systems will assume an increasingly important strategic role for client departments in the future as major systems are developed to improve operations and management.

...plans, coordinates and supplies computer processing, telecommunications and systems activities for Alberta government departments and agencies.

Because of rapid changes in technology and the shifting needs of program departments, we introduced a strategic planning process in the fall of 1989 to make the best choices for future investments in technology and to ensure effective information management. We are continuing to consult extensively with departments about government-wide planning, coordination, human resources, telecommunications and supporting architectures.

Another major change occurred during the year when the Telecommunications Division was transferred to Accommodation Services, leaving Computer Processing and Computer Systems as Information Services' two divisions.

As well, we developed internally and set in place a plan to retain valuable trained staff and to decrease staff turnover by enhancing recruitment and promoting professional growth. A new software acquisition plan monitors and controls cost increases due to new software requirements. We also expanded the strategic planning function to focus on users' present and future needs, particularly data requirements, to develop and maintain a cross-government information technology strategic plan.

Other Major Highlights:

- Kept expense increases below 15 per cent, due primarily to lower hardware prices, despite a 30-per-cent increase in service demands for the second year in a row.
- Upgraded and replaced computer processors at all four computer centres to handle increased user requirements and align the central facilities with departments' needs as they change and grow.
- Acquired new telecommunications technology to help the division keep pace with the higher speed and volume requirements of departments' online database application strategies.
- Helped the departments of Alberta Treasury, Alberta Health and Alberta Family and Social Services plan and implement future processing needs, including consolidation for greater efficiency (Health) and distribution for increased effectiveness (Family and Social Services).
- Completed preliminary work to better integrate the delivery of cross-government information training services and held discussions on interdepartmental Information Technology strategic directions.
- Designed and implemented an Office Automation Training Program with the private sector. The program was extremely well received and cost less than departments could negotiate individually.
- Provided centralized maintenance and project support to a number of smaller government departments and agencies, including office automation support to Executive Council and Hansard and developing and implementing the Senatorial Election System.
- Evaluated new products to replace the government's outdated systems-development methods and negotiated favorable government-wide prices for two alternate products.

ACCOMMODATION SERVICES

Report from the Assistant Deputy Minister

The addition of Telecommunications Management highlighted a year of new responsibilities and challenges in Accommodation Services. The move, made to streamline communications when government accommodation needs are being planned, brought the number of divisions to three, with Accommodation Planning and Realty.

...plans all government office and warehouse space, acquires and disposes of land, buildings and facilities for government and Restricted Development Areas; plans, provides and manages government telecommunications; and administers Grants in Lieu of Taxes.

In 1989-90, the Government of Alberta occupied approximately 2.7 million gross square metres of space, consisting of 2 million gross square metres of government-owned space and approximately 700,000 gross square metres of leased space. Accommodation Services managed all office space improvements, leases and communication systems.

Telecommunications Management Division plans, provides and manages Alberta government telecommunications, including voice, data and facsimile transmissions. In its first year with Accommodation Services, Telecommunications expanded the packet data network (AGNPAC) ports to more than 200 ports from 50, to accommodate the wide-area networking needs of several departments, including Alberta Agriculture, Alberta Consumer and Corporate Affairs and Alberta Transportation and Utilities.

The division processed over 5,600 orders, completed over 300 telecommunications projects and spent $40.8 million to manage and administer the Alberta government's telecommunications facilities. The new division continued to plan and implement additions to province-wide communications networks such as the Alberta Government RITE Network (AGN), AGNPAC and the Multi-Departmental Mobile Radio System.

Accommodation Planning Division plans for the long- and short-term office, parking and warehouse needs of government departments and designs and constructs tenant improvements to office and warehouse space. The planning and establishment of an office in Seoul, Korea, for the department of Alberta Federal and Intergovernmental Affairs was a major achievement for Accommodation Planning Division in 1989-90.

Closer to home, Accommodation Planning relocated over 1,200 government staff from three departments and multiple locations to 39,000 square metres of new office space in the CityCentre building in downtown Edmonton. The division also developed a planning solution for the amalgamation of Alberta Hospitals and Medical Care with Alberta Community and Occupational Health.

Over the year, Accommodation Planning Division received and reviewed 830 requests for accommodation from more than 30 various government departments, boards and agencies, resulting in the implementation of 385 projects. The division worked with 47 design consultants and 62 construction companies, with expenditures amounting to $13.9 million.

Realty Division acquires all government leased space and is responsible for purchasing land required by the government, the sale of surplus properties and the administration of the Grants-in-Lieu-of-Taxes Program and payments for local improvement charges. Last year, the division disbursed $38.4 million to municipalities by way of 9,379 grant-in-lieu-of-taxes claims. Under the Crown Property Municipal Grants Act, municipalities may apply to Alberta Public Works, Supply and Services for a grant to be given in lieu of taxes in respect of Crown property located in the municipality.

Realty Division also processed $200,000 in payments for local improvements under the Grants-in-Lieu-of-Taxes Program. The City of Edmonton received $780,654 for lands acquired by the province for the Capital City Recreation Park.

Realty Division administered 1,374 leases resulting in $79.8 million of rental payments and $5.7 million in accounts receivables revenue and acquired $48.2 million in properties for various programs in government departments. Twenty-one Restricted Development Area (RDA) properties were purchased for $9.9 million through the Government Land Purchase Fund, and a further 10 RDA properties were acquired with a $7 million value through land exchanges for another nine surplus properties.

Other Major Highlights:

- Helped Alberta Family and Social Services to automate the province-wide delivery of their programs and worked with the Alberta Alcohol and Drug Abuse Commission to establish Adolescent Treatment Centres in Edmonton and Calgary and area offices in Stettler, Provost, Blairmore, Athabasca and Whitecourt.
- Sold five surplus RDA properties for $700,000.
- Managed 64 leases for Treasury Branches and the Energy Resources Conservation Board involving total annual rents of $10.8 million.
- Connected remote sites in Alberta, including High Level, Peace River and Fort McMurray, to the AGNPAC data network by expanding the number of network nodes to 13 from five.
- AGNPAC was chosen by the Alberta Forestry Messaging System (AFORMS) as its communications vehicle. AFORMS is an extensive electronic messaging system of more than 130 terminals and printers scattered across the province at Forestry ranger stations and headquarters.

ADMINISTRATIVE SERVICES

Report from the Assistant Deputy Minister

...provides financial, general administrative and automated information-system services to Alberta Public Works, Supply and Services and is responsible for lotteries and financial assistance to major exhibitions and fairs.

Administrative Services experienced a year of new responsibilities, challenges and achievements. In 1989-90, Alberta Lotteries, Major Exhibitions and Fairs became the second division in Administrative Services, joining Finance and Administration. Responsibility for this division was retained by the minister when he transferred from his previous portfolio of Alberta Career Development and Employment to Alberta Public Works, Supply and Services.

The new division supports the minister in carrying out his responsibilities by providing advice on the coordination of the province's lottery operations, including systems and office support for Lottery Fund administration, program and planning services and public communications.

Finance and Administration Division provides central support services to the department through five branches: Management Services, Revolving Fund and Departmental Financial Systems, Financial Services, Tender Administration and Financial Planning. These branches enjoyed a number of successes during the 1989-90 fiscal year, many involving new systems and programs set in place to deal with new divisional responsibilities.

Management Services Branch introduced and expanded office automation systems such as electronic mail and local area networks, the standardization of hardware and software for word processing, the initiation, automation and development of electronic data processing and database applications used for budget control, telecommunications and property inventory.

The Revolving Fund and Departmental Financial Systems Branch improved inventory control procedures and optimized the amount of inventory kept on hand by other divisions, such as Supply Operations Division. Financial Planning Branch assisted in the transition of the budget preparation system from a departmental to a government-wide common budgeting system. Financial Services Branch has assisted in improving the efficiency level of Financial Projects System-processing through regular reviews of line-area processing procedures.

As a result of Alberta Public Works, Supply and Services assuming responsibility during 1988-89 for hospital and dam construction, the Financial Services Branch became responsible for audits of new hospitals and major health-care facility construction projects valued at $1 million or more. Financial Services Branch formed a full-time audit section to deal with a number of completed projects requiring audits. Audit reports were issued on 26 hospital projects, and more than $1.3 million in surplus funds were recovered. In addition, Financial Planning Branch became responsible for budget preparation and expenditure control associated with hospital and reservoir-development projects.

In performing Finance and Administration's ongoing support role for the financial operations of the department, Financial Services Branch received and paid more than 221,000 invoices, totalling approximately $491 million, inventoried 9,680 fixed assets valued at over $26 million and processed 6,128 accounts-receivable transactions and 8,436 cash items as part of the department's cash handling and banking needs in the 1989-90 fiscal year. Revolving Fund and Departmental Financial Systems Branch prepared billings worth over $60 million and paid about 43,000 invoices totalling approximately $57 million. Tender Administration Branch tendered 141 projects and issued to contractors more than 3,340 plans and specifications, which were printed by the private sector.

Other Major Highlights:

- Improved the Financial Project System and Departmental Project Budgeting Compilation System to better meet the budget planning, expenditure management and information access requirements of the department and Alberta Treasury.
- Completed and issued "Delegation of Responsibility and Signing Authority," which outlines the delegation of expenditure authority in a format to make it both easier to use and easier to update.
- Increased use of local area computer networks in Alberta Public Works, Supply and Services to effectively facilitate increased volumes of information and data-processing activity.
- Initiated development of the Telecommunications Information Management System which will provide for the management of telecommunication systems and tracking of inventory as called for by the Auditor General.

PERSONNEL

Report from the Executive Director

...oversees staffing, classification, human resource development, occupational health and safety, employee relations and payroll administration.

The 1989-90 fiscal year saw a number of significant achievements in response to changes both within the department and throughout the government.

The government initiated a review of clerical positions within the Classification Plan to ensure equity among the classifications, recognize the change in technology and enhance career development. As a result of this initiative, Alberta Public Works, Supply and Services, converted nine class series into one, which has streamlined the administrative support classifications.

The Personnel Division continued to develop automated systems to streamline payroll processing and produce comprehensive organization charts for the department.

We focused on using current employees when staffing and hired outside the department to fill positions requiring specialized expertise.

More staff training courses were tailored to the specific needs of the department, a move away from generic offerings. Courses continued to be developed with the private sector.

Other Major Highlights:

- Recorded the lowest number of worksite accidents since 1979 (the first year statistics were recorded).
- Introduced a revamped Orientation Program for New Employees, with excellent response.
- Helped establish and staff the divisions created when Reservoir Development and Health Facilities programs were transferred to PWSS (including 15 people transferred from Alberta Health and eight recruited from Alberta Environment).

Worksite Injuries

	1987-88	1988-89	1989-90
Disabling Injuries	75	69	50
Non-disabling Injuries	54	59	40

COMMUNICATIONS

Report from the Director

...provides public-relations counsel and production services to the department and addresses its internal and external communications needs, including media liaison, publications, special-events planning and advertising.

The 1989-90 fiscal year brought many changes to the public-relations component of the department. The most noticeable physical change resulted from the transferring of reservoir-development and hospital projects to Alberta Public Works, Supply and Services. A separate communications branch was created to look after the reservoir-development projects (Oldman River Dam, Little Bow River and Pine Coulee Reservoir projects) because of the increase in communications activity.

It was soon evident that additional communications support was also required for hospital projects. To accommodate this need, the Reservoir Development Communications Branch was amalgamated with the existing Public Relations Office to create the Communications Division. This new division became responsible for all communication activities for the department. The size of the communications component increased from one person to four.

The new Communications Division experienced a substantial increase in workload. During the 1989-90 fiscal year, the division issued more than 120 news releases (June 1989 to March 1990), responded to more than 100 media inquiries (July 1989 to March 1990), organized six official ceremonies (sod turnings and building openings) and produced two editions of the Oldman River Dam newsletter "Update," as well as developing newsletters for the two new reservoir projects.

Other Major Highlights:

- Produced four displays for the Oldman River Dam Project environmental-mitigation program.
- Organized open houses in the Crowsnest Pass to discuss proposed Oldman River Dam fisheries enhancement programs for that area.
- Organized three media tours of the Oldman River Dam Project. These focused on the success of the wildlife raptor (prairie falcon) program, the archaeological mitigation program and the actual construction of the project.